



June 22, 2010

Jocelyn Boyd, Esq.
Interim Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Dr., Suite 100
Columbia, SC 29210

RE: SCPSC Docket no. 2010-161-E

Dear Mrs. Boyd:

Please find enclosed for filing in the above-referenced docket Progress Energy Carolinas, Inc.'s ("PEC") Supplemental Testimony and Exhibits of Robert P. Evans.

Sincerely,

A handwritten signature in dark ink that reads 'Len S. Anthony' followed by a stylized flourish.

Len S. Anthony
General Counsel
Progress Energy Carolinas, Inc.

LSA:mhm

STAREG1044

STATE OF NORTH CAROLINA
COUNTY OF WAKE

)
)
)

DOCKET NO. 2010-161-E
VERIFICATION

PERSONALLY APPEARED before me, Robert P. Evans, who, after first being duly sworn, said that:


I am a Lead DSM Regulatory Specialist in Progress Energy Carolinas, Inc.'s Efficiency and Innovative Technologies Department;

I am authorized to make this verification;

On June 22, 2010, I caused to be pre-filed thirteen (13) pages of Supplemental Testimony and Exhibits supporting and explaining PEC's DSM/EE Cost Recovery Rider Application filed that same date. This testimony was prepared by me or under my direct supervision and control and is true and accurate.


Robert P. Evans

Sworn to and subscribed before me,
this the 22nd day of June, 2010.



STAREG1044



SOUTH CAROLINA UTILITIES COMMISSION

DOCKET NO. 2010-161-E

**SUPPLEMENTAL TESTIMONY OF ROBERT P. EVANS
ON BEHALF OF CAROLINA POWER & LIGHT COMPANY
D/B/A/ PROGRESS ENERGY CAROLINAS, INC.**

1 **Q. PLEASE STATE YOUR NAME, YOUR BUSINESS ADDRESS AND POSITION**
2 **WITH PROGRESS ENERGY CAROLINAS, INC..**

3 A. My name is Robert P. Evans and my business address is 100 E. Davie Street, Post Office
4 Box 1551, Raleigh, North Carolina 27602. I am employed by Progress Energy Carolinas,
5 Inc. ("PEC") as a Lead DSM Regulatory Specialist in the Company's Efficiency and
6 Innovative Technologies Department.

7 **Q. ARE YOU THE SAME ROBERT P. EVANS THAT PREVIOUSLY SUBMITTED**
8 **TESTIMONY IN THIS PROCEEDING?**

9 A. Yes I am. I previously submitted direct testimony and exhibits in this proceeding on May
10 3, 2009.

11 **Q. WHAT IS THE PURPOSE OF YOUR SUPPLEMENTAL TESTIMONY?**

12 A. The purpose of my testimony is to provide the Commission with updated information, in
13 the form of corrections to PEC's May 3, 2010 Application for a DSM/EE cost recovery
14 rider.

15 **Q. PLEASE SUMMARIZE YOUR CORRECTIONS TO THE COMPANY'S DSM/EE**
16 **COST RECOVERY RIDER.**

A. Subsequent to the Company's May 3, 2010 filing in this proceeding, calculation errors associated with test period carrying and capital costs were discovered. In total, these errors resulted in a \$362,957 overstatement of the DSM/EE revenue requirement. In addition, a small adjustment to O&M expenses was determined by PEC to be appropriate. Since this item is deferred, both the test and rate periods were impacted by changes in amortizations. The following table provides a summary of these changes.

	Revised Values	Original Values	Change in Values	Change in Revenue Requirement
Res Home Advantage O&M	\$ 109,392	\$ 109,458	\$ (66)	\$ (14)
DSM Carrying Cost & Taxes	58,427	89,784	(31,357)	(31,357)
EE Carrying Cost & Taxes	96,456	147,298	(50,842)	(50,842)
DSDR Carrying Cost & Taxes	87,325	163,427	(76,102)	(76,102)
DSDR Capital Cost & Taxes	316,598	521,254	(204,656)	(204,656)
Totals	\$ 668,198	\$ 1,031,221	\$ (363,023)	\$ (362,971)

In addition to the aforementioned changes impacting revenue requirements, the Office of Regulatory Staff informed the Company that the SC Regulatory Fee rate employed in its original filing was in excess of the fee levels that would be in effect during the 2010-2011 rate period. While the SC Regulatory Fee, as a gross-up factor, does not impact the revenue requirement, it does impact the rates ultimately billed to customers.

Q. ARE YOU PROVIDING UPDATED EXHIBITS REFLECTING THESE REVISED VALUES?

A. Yes. I am submitting corrected exhibits identified as Supplemental Exhibits Nos. 1 through 9. These are the same exhibits that were supplied with my direct testimony. The changes in values have been specifically highlighted on page 1 of Evans Supplemental Exhibit No. 1. Due to the nature of these exhibits, the changes to values on Evans Supplemental Exhibit No. 1 impacted values residing on Evans Supplemental Exhibit Nos. 2, 6, 7, and 9. The remaining exhibits were included to maintain exhibit sequencing. In addition, these

exhibits have been labeled "Unchanged" as they were only modified to the extent necessary to accommodate revised references and descriptions.

Q. HAVE THE COMPANY'S PROPOSED RATES CHANGED AS A RESULT OF THESE REVISIONS?

A. Yes. The revenue requirement changes were material enough to induce changes in PEC's proposed rates. PEC's revised rates, exclusive of gross receipts taxes and SC Regulatory Fees, for each rate class (shown in cents per kWh) are provided in the following table:

Rate Class	DSM Rate	EE Rate	Adjustment*	DSM/EE Annual Rider**
Residential	0.0808	0.0924	0.0026	0.176
General Service	0.0415	0.0548	0.0001	0.096
Lighting	0.0000	0.0000	0.0000	0.000

* Adjustment for uncollectible billings and Residential RECD discount

**Billing Rates are rounded to the nearest thousandth of a cent

PEC's proposed billing rates, which include gross receipts taxes and SC Regulatory Fees for each class, are provided in the following table (shown in cents per kWh):

Rate Class	DSM /EE Rate
Residential	0.177¢/kWh
General Service	0.096¢/kWh
Lighting	0.000¢/kWh

Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL TESTIMONY?

A. Yes.

South Carolina Retail - DSM/EE Revenue Requirements Summary

A. Test Period

April 2009 through March 2010

SOUTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY																			
	O&M (1)	Insurance (2)	A&G Expense (3)	Capitalized O&M and A&G (4) 2Code(1) thru(3)	Current Period Amortization (5)	Prior Period Amortization (6)	DSOR Capital Costs (7)	Income Taxes on DSOR Capital Costs (8)	DSOR Property Taxes (9)	DSOR Depreciation (10)	Carrying Costs Net of Taxes (11)	Income Taxes on Carrying Costs (12)	Rev Reqmt Before PPI & NLR (13) 2Code(1) thru(12)	Net Lost Revenue (14)	PPI (15)	Total Revenue Requirement (16)			
April 2009 through March 2010																			
SC DSM Program Expenses																			
1	Per Books	\$	53,123	\$	53,123	\$	5,312	\$	2,963		\$	-	\$	8,275	\$	-	\$	8,275	
2	Per Books		990,963		990,963		99,096		10,801					109,897			21,414	131,311	
3	Per Books	\$	1,044,086		\$	1,044,086	\$	104,408	\$	13,764		\$	-	\$	118,172	\$	-	\$	21,414
4	Per Books		138,440		138,440		13,844		11,082					83,353			83,353	139,586	
5	Per Books	\$	1,044,086		\$	1,382,526	\$	118,252	\$	24,846		\$	44,267	\$	201,525	\$	-	\$	21,414
6	Per Books																	222,939	
SC EE Program Expenses																			
7	Per Books	\$	109,292		\$	109,392	\$	10,939	\$	8,752		\$	-	\$	19,691	\$	4,298	\$	1,030
8	Per Books		629,169		629,369		62,937		6,767					69,704			25,754	104,772	
9	Per Books		113,139		113,139		11,314		1,421					12,735			3,311	16,046	
10	Per Books		659,442		659,442		65,944		17,682					83,626			79,031	192,770	
11	Per Books		21,640		21,640		2,164		131					2,295			-	2,295	
12	Per Books		177,403		177,403		35,481		-					35,481			12,727	48,208	
13	Per Books		13,203		13,203		1,320		-					1,320			-	1,320	
14	Per Books						2,140		-					2,140			58,783	71,396	
15	Per Books	\$	1,723,588		\$	1,723,588	\$	190,099	\$	36,893		\$	-	\$	226,992	\$	183,904	\$	50,930
16	Per Books		215,351		215,351		21,535		21,350					73,130			130,341	-	139,341
17	Per Books	\$	1,723,588		\$	1,938,939	\$	211,634	\$	58,243		\$	71,130	\$	21,326	\$	366,333	\$	183,904
18	Per Books																50,930	\$	601,167
SC DSOR Program Expenses																			
19	Per Books	\$	600,767	\$	20,851	\$	62,162	\$	27,891	\$	45,679	\$	25,634	\$	135,063	\$	567,348	\$	-
20	Per Books						9,451		32,405								129,181		-
21	Per Books	\$	600,767	\$	20,851	\$	71,613	\$	60,296	\$	45,679	\$	25,634	\$	135,063	\$	696,529	\$	-
22	Per Books																-		-
23	Per Books	\$	3,368,441	\$	20,851	\$	401,499	\$	143,385	\$	45,679	\$	25,634	\$	135,063	\$	1,264,387	\$	183,904
24	Per Books																72,344	\$	1,520,635
25	Per Books																-		-
26	Per Books																-		-
27	Per Books																-		-
28	Per Books																-		-
29	Per Books																-		-
30	Per Books																-		-
31	Per Books																-		-
32	Per Books																-		-
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116	Per Books																-		-
117	Per Books																-		-
118	Per Books																-		-
119	Per Books																		

¹ Residential Lighting is being recovered over a 5 year period. All other EE programs are over 10 years.

South Carolina Retail - DSM/EE Revenue Requirements Summary

B. Rate Period

July 2010 through June 2011

SOUTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY																
	O&M (1)	Insurance (2)	A&G Expense (3)	Capitalized O&M and A&G (4)	Current Period Amortization (5)	Prior Period Amortization (6)	DSOR Capital Costs (7)	Income Taxes on DSOR Capital Costs (8)	DSOR Property Taxes (9)	DSOR Depreciation (10)	Carrying Costs Net of Taxes (11)	Income Taxes on Carrying Costs (12)	Rev Reqmt Before PPI & NLR (13)	Net Lost Revenue (14)	PPI (15)	Total Revenue Requirement (16)
				±Cost/Year(3)									±Cost/Year(12)			±Cost/Year(15)
SC DSM Program Expenses																
1	Per Forecast															
2	Per Forecast															
3	2 Lines 1 thru 2															
4	Per Books															
5	2 Lines 3 thru 4															
6	Per Forecast															
7	Per Forecast															
8	Per Forecast															
9	Per Forecast															
10	Per Forecast															
11	Per Forecast															
12	Per Forecast															
13	Per Forecast															
14	2 Lines 6 thru 13															
15	Per Books															
16	2 Lines 14 thru 15															
17	Per Forecast															
18	Per Forecast															
19	2 Lines 17 thru 18															
20	Lines 5 + 16 + 19															
SC DSM Program Expenses																
1	Per Forecast															
2	Per Forecast															
3	2 Lines 1 thru 2															
4	Per Books															
5	2 Lines 3 thru 4															
6	Per Forecast															
7	Per Forecast															
8	Per Forecast															
9	Per Forecast															
10	Per Forecast															
11	Per Forecast															
12	Per Forecast															
13	Per Forecast															
14	2 Lines 6 thru 13															
15	Per Books															
16	2 Lines 14 thru 15															
17	Per Forecast															
18	Per Forecast															
19	2 Lines 17 thru 18															
20	Lines 5 + 16 + 19															

¹ Residential Lighting is being recovered over a 5 year period. All other EE programs are over 10 years.

PROGRESS ENERGY CAROLINAS, INC.

Determination of Net Revenue Requirement for Test Period

		Residential	General Service	Lighting	Total
1 Prior Period Cost of Service (9-07 to 3-09)					
2 Energy Efficiency Programs	Docket No. 2009-191-E	\$ 128,966.62	\$ 17,681.64	\$ -	\$ 146,648.26
3 EE A&G and Carrying Cost Allocation	Docket No. 2009-191-E	33,941.73	27,412.86	-	61,354.59
4 Total Energy Efficiency Cost of Service	Line 2 + Line 3	\$ 162,908.35	\$ 45,094.50	\$ -	\$ 208,002.85
5					
6 Demand Side Management Programs	Docket No. 2009-191-E	\$ 80,314.12	\$ 34,630.47	\$ -	\$ 114,944.59
7 DSM A&G and Carrying Cost Allocation	Docket No. 2009-191-E	58,997.21	25,779.74	-	84,776.95
8 Total DSM Cost of Service	Line 6 + Line 7	\$ 139,311.33	\$ 60,410.20	\$ -	\$ 199,721.54
9					
10 Total Cost of Service thru 3-31-09	Line 4 + Line 8	\$ 302,219.68	\$ 105,504.70	\$ -	\$ 407,724.38
11					
12 Current Period Cost of Service (4-09 to 3-10)					
13 Energy Efficiency Programs	Exhibit 1	\$ 143,366.00	\$ 83,626.00	\$ -	\$ 226,992.00
14 EE A&G and Carrying Cost Allocation	Exhibit 1	88,006.46	51,334.54	-	139,341.00
15 PPI and Net Lost Revenues	Exhibit 1	125,690.05	109,144.29	-	234,834.34
16 Total Energy Efficiency Cost of Service	Lines 13 + 14 + 15	\$ 357,062.51	\$ 244,104.84	\$ -	\$ 601,167.34
17					
18 Demand Side Management Programs	Exhibit 1	\$ 109,897.00	\$ 8,275.00	\$ -	\$ 118,172.00
19 DSM A&G and Carrying Cost Allocation	Exhibit 1	77,516.20	5,836.80	-	83,353.00
20 DSM PPI and Net Lost Revenues	Exhibit 1	21,413.83	-	-	21,413.83
21 DSDR Program	Exhibit 1	342,747.60	224,600.40	-	567,348.00
22 DSDR A&G and Carrying Cost Allocation	Exhibit 1	78,041.13	51,139.87	-	129,181.00
23 Total DSM Cost of Service	Σ Lines 18 thru 22	\$ 629,615.76	\$ 289,852.07	\$ -	\$ 919,467.83
24					
25 Cost of Service for 12 ME 3-31-10	Line 16 + Line 23	986,678.27	533,956.90	-	1,520,635.17
26					
27 Total Cost of Service thru March 31, 2010					
28 Energy Efficiency Programs	Line 4 + Line 16	\$ 519,970.86	\$ 289,199.33	\$ -	\$ 809,170.19
29 Demand Side Management Programs	Line 8 + Line 23	768,927.09	350,262.27	-	1,119,189.36
30 Total COS Before Revenue Offsets	Line 28 + Line 29	\$ 1,288,897.95	\$ 639,461.60	\$ -	\$ 1,928,359.55
31					
32 Rev Req Percentages from Prior Filing					
33 EE Percentage of Revenue Requirement	Docket No. 2009-191-E	29.95%	37.84%	-	32.52%
34 DSM Percentage of Revenue Requirement	Docket No. 2009-191-E	70.05%	62.16%	-	67.48%
35					
36 Actual Revenue (7-09 to 3-10)	Per Books	\$ 1,412,748.14	\$ 795,184.50	\$ -	\$ 2,207,932.64
37 EE Portion of Revenue	Line 33 x Line 36	423,099.92	300,860.67	-	723,960.59
38 DSM Portion of Revenue	Line 34 x Line 36	989,648.22	494,323.83	-	1,483,972.05
39 Check Total	Line 37 + Line 38	\$ 1,412,748.14	\$ 795,184.50	\$ -	\$ 2,207,932.64
40					
41 Adjustments					
42 RECD Discount - Energy Efficiency	WPs	\$ (77.51)	\$ -	\$ -	\$ (77.51)
43 RECD Discount - Demand Side Management	WPs	(181.31)	-	-	(181.31)
44 Uncollectible - Energy Efficiency	WPs	579.22	(68.90)	-	510.33
45 Uncollectible - Demand Side Management	WPs	1,354.83	(113.20)	-	1,241.63
46 Total Adjustments	Lines 42 + 43 + 44 + 45	1,675.23	(182.10)	-	1,493.13
47					
48 Revenue Requirement at March 31, 2010					
49 EE Portion of Revenue Requirement	Lines 28 - 37 + 42 + 44	\$ 97,372.65	\$ (11,730.23)	\$ -	\$ 85,642.41
50 DSM Portion of Revenue Requirement	Lines 29 - 38 + 43 + 45	(219,547.61)	(144,174.76)	-	(363,722.37)
51 Total Revenue Requirement at 3-31-10	Line 49 + Line 50	\$ (122,174.96)	\$ (155,904.99)	\$ -	\$ (278,079.95)

PROGRESS ENERGY CAROLINAS, INC.
Annual DSM/EE Opt-Out Sales Estimate for SC Customers
Annual Sales for the Year Ended June, 2011

Rate Class	Opt-Out KWHs
Residential	0
General Service	2,290,855,124
Lighting	3,148,029
Total Estimated Opt-Out Sales	2,294,003,153

PROGRESS ENERGY CAROLINAS, INC.

Energy Allocation Factors - Applicable to EE Program Costs

South Carolina Rate Class Energy Allocation Factors

Rate Class	Total SC Rate Class Sales (MWhrs) ⁽¹⁾	Opt-Out Sales ⁽²⁾	Adjusted SC Rate Class MWhr Sales	Rate Class Energy Allocation Factor
	(1)	(2)	(3) = (1) - (2)	(4) = (3) / SC Total in Column 3
Residential	2,138,622	0	2,138,622	51.99%
General Service	4,176,166	2,290,855	1,885,311	45.83%
Lighting	92,889	3,148	89,741	2.18%
SC Retail	6,407,677	2,294,003	4,113,674	100.00%

NOTES:

(1) Total SC Rate Class Sales (MWhrs) are for the forecasted year ended June 2011.

(2) Opt-Out sales are provided in Evans Supplemental Exhibit No. 3

PROGRESS ENERGY CAROLINAS, INC.

Demand Allocation Factors - Applicable to DSM Programs

South Carolina Rate Class Demand Allocation Factors

Rate Class	Total SC Rate Class Sales ⁽¹⁾	Sales Subject to Opt-Out ⁽²⁾	Rate Class Demand ⁽³⁾	Revised Rate Class Demand (4) = ((1 - 2) / 1) * 3	Rate Class Allocation Factor (5) = (4)/Total of Column 4
	(1)	(2)	(3)		
Residential	2,138,622	0	504,141	504,141	60.41223%
General Service	4,176,166	2,290,855	731,784	330,361	39.58777%
Lighting	92,889	3,148	0	0	0.00000%
SC Retail	6,407,677	2,294,003	1,235,925	834,502	100.00000%

NOTES:

(1) Total SC Rate Class Sales (MWHrs) are for the forecasted year ended June 2011.

(2) Opt-Out sales are provided in Evans Supplemental Exhibit No. 3

(3) The CP demands are based on the 2009 Coincident Peak occurring on August 10 during the hour ended at 4 P.M.

PROGRESS ENERGY CAROLINAS, INC.

Energy Efficiency Rate Derivation

SC Rate Class	Adjusted SC Rate Class kWhr Sales ⁽¹⁾	Rate Class Energy Allocation Factor ⁽²⁾	EE Revenue Requirements							
			Residential Programs ⁽³⁾	CIG Programs ⁽⁴⁾	Common Programs	Allocated A&G Costs ⁽⁵⁾	Allocated Carrying Costs ⁽⁵⁾	Net Test Period Revenue Requirement ⁽⁶⁾	Total of Allocated Costs	Total EE Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) = Σ (3 thru 8)	(10) = (9) / (1)
Residential	2,138,622,214	51.99%	\$1,311,617	\$0	\$0	\$52,454	\$267,109	\$97,373	\$1,728,553	\$0.000808
General Service	1,885,311,106	45.83%	\$0	\$647,479	\$0	\$24,027	\$122,349	-\$11,730	\$782,125	\$0.000415
Lighting	89,740,909	2.18%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.000000
SC Retail	4,113,674,228	100%	\$1,311,617	\$647,479	\$0	\$76,481	\$389,458	\$85,642	\$2,510,677	\$0.000610

NOTES:

- (1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Supplemental Exhibit No. 4, column (3).
- (2) Rate Class Energy Allocation Factor is derived in Evans Supplemental Exhibit No. 4, column (4).
- (3) CFL, Solar Water Heating Pilot, Residential HEIP, Residential Lighting, Appliance Recycling and Residential Home Advantage Program costs are allocated solely to Residential Class.
- (4) CIG Energy Efficiency costs are allocated solely to General Service Class.
- (5) A&G and Carrying Costs are allocated on the basis of revenue requirements (excluding incentives).
- (6) Net Energy Efficiency Revenue Requirements are derived on Evans Supplemental Exhibit No. 2.

PROGRESS ENERGY CAROLINAS, INC.

Demand Side Management Rate Derivation

SC Rate Class	Adjusted SC Rate Class kWhr Sales ⁽¹⁾	Rate Class Demand Allocation Factor ⁽²⁾	DSM Revenue Requirement							
			Residential Programs ⁽³⁾	CIG Programs ⁽⁴⁾	DSDR ⁽⁵⁾	Non-DSDR Assigned A&G and Carrying Costs ⁽⁶⁾	DSDR Assigned A&G and Carrying Costs ⁽⁵⁾	Net Test Period Revenue Requirement ⁽⁷⁾	Total of Allocated Costs	Total DSM Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(7)	(8) = Σ (3 thru 7)	(9) = (8) / (1)
Residential	2,138,622,214	60.41%	\$347,819	\$0	\$1,457,025	\$201,867	\$189,455	-\$219,548	\$1,976,620	\$0.000924
General Service	1,885,311,106	39.59%	\$0	\$62,010	\$954,780	\$37,103	\$124,149	-\$144,175	\$1,033,866	\$0.000548
Lighting	89,740,909	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0.000000
SC Retail	4,113,674,228	100.00%	\$347,819	\$62,010	\$2,411,805	\$238,970	\$313,604	-\$363,722	\$3,010,486	\$0.000732

NOTES:

- (1) Rate Class Sales, excluding "Opt-Out" sales, are derived in Evans Supplemental Exhibit No. 4, column (3).
- (2) Rate Class Demand Allocation Factor is derived in Evans Supplemental Exhibit No. 5, column (5).
- (3) EnergyWise costs are directly assigned solely to Residential Rate Class.
- (4) CIG DR Program costs are directly assigned solely to General Service Class.
- (5) DSDR Costs and assigned A&G and carrying costs are allocated using Rate Class Demand Allocation Factor from column (2).
- (6) Non-DSDR A&G and Carrying Costs are allocated on the basis of revenue requirements (before adjustment for incentives) assigned in columns (3) and (4).
- (7) Net DSM Revenue Requirements are derived on Evans Supplemental Exhibit No. 2

PROGRESS ENERGY CAROLINAS, INC.
EE/DSM Billing Rate - July 2010 through June 2011
Revenue Adjustment Factors

Residential Adjustment Factor

1	Billed kWh (12ME 3/31/09)	<i>Per Books</i>	2,288,635,954
2	Billed RECD kWh (12ME 3/31/09)	<i>Per Books</i>	<u>371,783,179 (a)</u>
3	RECD kWh Percent of Total Billed	<i>Line 2 / Line 1</i>	16.2447%
4	RECDDiscount	<i>RECD Discount</i>	<u>5.0000% (b)</u>
5	RECD Impact (Weighted Discount)	<i>Line 3 x Line 4</i>	0.8122% (d)
6	Uncollectable Estimate for Forecast Period	<i>Estimate</i>	<u>0.6407% (c)</u>
7	Residential Adjustment Factor for Rate Period	<i>Line 5 + Line 6</i>	<u><u>1.4529% (d)</u></u>

General Service Adjustment Factor

8	Uncollectable Estimate for Forecast Period	<i>Estimate</i>	<u>0.0791% (c)</u>
9	General Service Adjustment Factor for Rate Period	<i>Line 8</i>	<u><u>0.0791% (d)</u></u>

Notes:

- (a) Energy billed and discounted pursuant to Residential Energy Conservation Discount, Rider RECD-2B.
- (b) Five-percent discount provided under Residential Energy Conservation Discount, Rider RECD-2B.
- (c) Estimated incremental level of uncollectables associated with DSM/EE billings.
- (d) Estimated impacts of uncollectable and RECD related discounts will be trued up to actual amounts.

PROGRESS ENERGY CAROLINAS, INC.

EE/DSM Billing Rate - July 2010 through June 2011

All rates are shown in dollars per kWh

Rates Net of South Carolina Gross Receipts Taxes (GRT) and Regulatory Fee

SC Rate Class	Total EE Rate (1)	Total DSM Rate (2)	Total DSM/EE Rate (3)	RECD & Uncollectible Adjustment (4)	DSM/EE Rate (5)
Residential	\$0.000808	\$0.000924	\$ 0.001732	\$0.000026	\$0.00176
General Service	0.000415	0.000548	0.000963	0.000001	\$0.00096
Lighting	0.000000	0.000000	0.000000	0.000000	\$0.00000
SC Retail	\$0.000610	\$0.000732	\$0.001342	\$0.000014	\$0.001355

Rates Including SC Gross Receipts Taxes at 0.30% and Regulatory Fee at 0.1515123%

SC Rate Class	DSM/EE Rate (net of GRT) (6)	Gross Receipts Tax and Regulatory Fee Adjustment (7)	DSM/EE Billing Rate (8)
Residential	\$0.00176	\$0.00001	\$0.00177
General Service	0.00096	0.00000	0.00096
Lighting	0.00000	0.00000	0.00000
SC Retail	\$0.001355	\$0.000005	\$0.00136

NOTES:

- (1) Total EE Rate is derived in Evans Supplemental Exhibit No. 6, column (10).
- (2) Total DSM Rate is derived in Evans Supplemental Exhibit No. 7, column (9).
- (3) Total DSM/EE Rate is sum of columns (1) and (2).
- (4) Adjustment factors derived in Evans Supplemental Exhibit No. 8 applied to column (3)
- (5) DSM/EE Rate is derived from the sum of columns (3) and (4).
- (6) DSM/EE Billing Rate from column (5)
- (7) Calculated Gross Receipts Tax and Regulatory Fee at the combined rate of 0.4515123% on column (6)
- (8) DSM/EE Billing Rate is derived from the sum of columns (6) and (7) and rounded to 5 decimal points.